H.R. 4856 The Child SAFE Act of 2004:

Increasing Resources, Accountability, and Flexibility to Better Protect Children

Child SAFE Act

Current Law Trend

Chairman Wally Herger Human Resources Subcommittee July 19, 2004

What is the Child SAFE Act?

- The Child Safety, Adoption, and Family Enhancement Act (Child SAFE Act) of 2004 was introduced on July 19, 2004.
- The bill's sponsor is Wally Herger (R-CA), the Chairman of the Ways and Means Subcommittee with jurisdiction over child protection programs.
- Cosponsors include Tom DeLay (R-TX) and former Subcommittee Chairman Nancy Johnson (R-CT).

Why is the Child SAFE Act needed?

- Like AFDC before the 1996 welfare reforms, the Nation's child protection programs are broken.
- Every state child protection program failed recent federal reviews.
- The nonpartisan Pew Commission on Children in Foster Care, after a year of study, recently proposed major changes. Many are included in the Child SAFE Act.

Pew Commission calls for change

"Simply put, current federal funding mechanisms for child welfare encourage an over-reliance on foster care at the expense of other services to keep families safely together....The result is a discouraging and frustrating cycle: Foster care rolls are swelled by children who might have been able to stay at home safely or leave placement sooner had states been able to use more federal dollars for prevention, treatment and post-permanency services." (Pew report, page 13, emphasis added)

Key problems with current system

- The current system provides only limited funding for "services to keep families safely together."
- The current system provides open-ended funding if kids are removed from their homes, which "encourage(s) an over-reliance on foster care."

Results: Too many children abused.

Too many families broken up.

What does the Child SAFE Act do?

The Child SAFE Act would focus on outcomes rather than process to better protect children by:

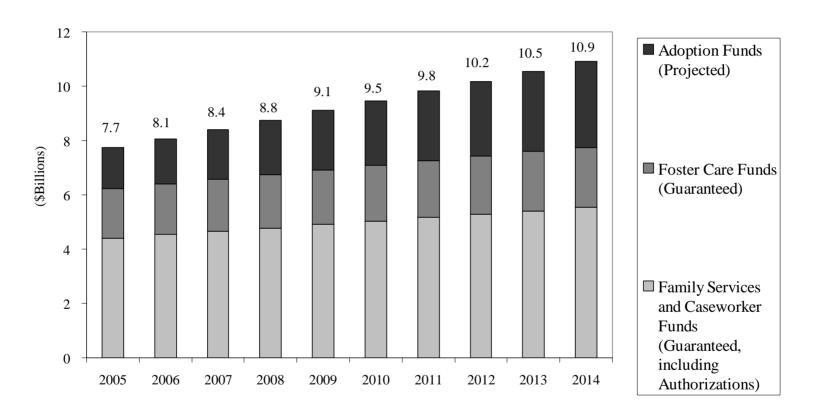
- Providing more resources
- Promoting better outcomes
- Increasing accountability for results
- Increasing state flexibility

How much total funding does the Child SAFE Act provide?

 The Child SAFE Act would increase overall child protection funding over the next 10 years by \$2 billion.

	Funding, 2005-14
Current law	\$91 billion
Child SAFE Act	\$93 billion
Increase	+\$2 billion

Annual increases in federal funds under the Child SAFE Act



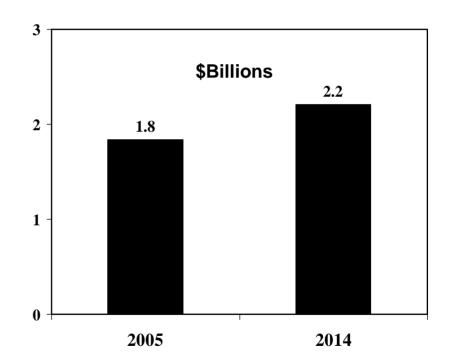
Federal funding for every activity rises under the Child SAFE Act

 Under the Child SAFE Act, funding for every child protection activity would rise over the next 10 years.

Activity	2005	2014
Foster Care	\$1.8B	\$2.2B
Adoption	\$1.3B	\$3.0B
Services/caseworkers	\$4.4B	\$5.5B
Total	\$7.7B	\$10.9B

Federal foster care aid rises

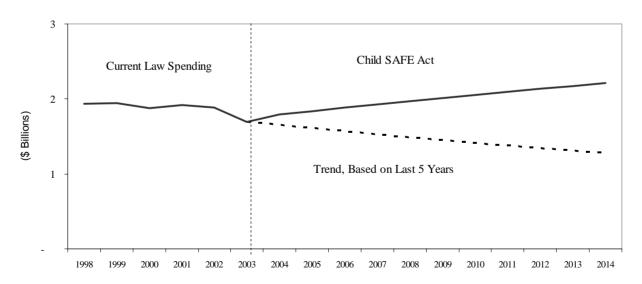
- Federal foster care funds are guaranteed to rise every year in every state, even if caseloads fall.
- For first time, federal aid available for every child in foster care, regardless of income.



How does this compare with recent foster care trends?

- Recent federal foster care aid has been trending down.
- The Child SAFE Act guarantees rising foster care funds.
- This could mean \$1B more in federal funds in 2014.

Federal Foster Care Payments, Recent Trends vs. Child SAFE Act

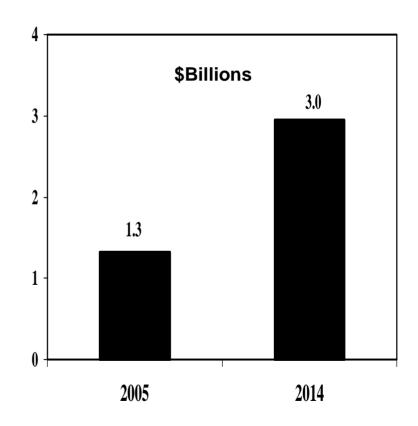


What if foster care caseloads increase?

- The Child SAFE Act guarantees projected increases in federal foster care funds to states.
- Along with other features, this will encourage better child protection programs and less need for foster care. States can use foster care savings for more services to protect children.
- As under welfare reform, states have access to \$2 billion in added federal "contingency funds" if foster care caseloads increase unexpectedly.

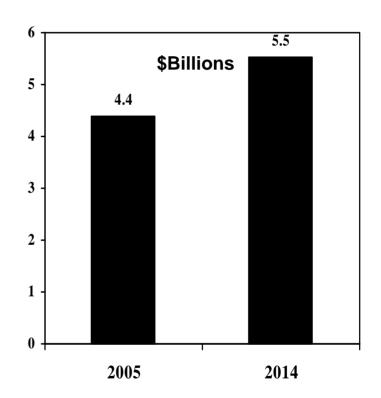
Federal adoption aid rises

- Federal adoption aid remains open-ended, encouraging more and faster departures from foster care.
- For first time, federal aid available for every child adopted from child protection system, regardless of income.



Federal aid for family services and caseworkers rises

- Federal aid for family services and caseworkers would be (1) merged, (2) guaranteed, and (3) increased by a total of \$2 billion over 10 years.
- States would have more funds, more flexibility, and greater incentives to serve families and prevent children's removal to foster care.



Other advantages of the Child SAFE Act

- Provides increased funding to Indian tribes for child protection programs.
- Expands funding and services for children placed with relatives.
- Requires assessment of children entering foster care to determine needed services.
- Offers \$400 million in new funds to states that excel in protecting children.
- Costs are fully offset by provisions previously passed in the House welfare reform bill (H.R. 4).